August 7, 2026

Company Name	Sanden Corporation
Name of Representative	Xu Zhan Representative Director & President (Securities code: 6444; TSE Standard Market)
Inquiries	Junya Takahashi Division General Manager, Corporate Financial Management Division TEL +81-3-5828-5582

Notice of Issuance of New Shares through Third-Party Allotment

Sanden Corporation (the “Company”) hereby announces that it has resolved, at its meeting of the Board of Directors held on August 7, 2026, the issuance of new shares through third-party allotment (the “Third-Party Allotment”, and such shares issued through the Third-Party Allotment shall be referred to as the “Shares”).

1. Overview of the offering

(1) Payment date	September 29, 2026
(2) Number of new shares to be issued	510,000 shares of the Company’s common stock (※1)
(3) Issue price	JPY 165 per share If the closing price of the Company’s common stock on the Tokyo Stock Exchange (the “TSE Closing Price”) on the trading day immediately preceding August 26, 2026 (the “Pricing Date”) exceeds the amount set forth above, the TSE Closing Price on the trading day immediately preceding the Pricing Date shall apply. (※2)
(4) Amounts of proceeds	JPY 84,150,000 The amount set forth above is an estimate as of today, and the amount of proceeds shall be the amount obtained by multiplying the issue price stated in above (3) by the number of new shares to be issued.
(5) Method of offering or allotment (the Scheduled Allottee)	All the Shares will be allotted to the allottees listed below through the third-party allotment. 33 employees of the Company 510,000 shares (※1)
(6) Others	With respect to the Third-Party Allotment, a Securities Registration Statement subject to the Financial Instruments and Exchange Act has been filed.

※1 Number of new shares to be issued

The number of shares stated in above (2) and (5) represents the maximum and the actual number of new shares to be issued may decrease depending on the application from each scheduled allottee, of which the issue price determined on the Pricing Date will be taken into account.

※2 Method of determining the issue price of the Shares (the reason for setting a certain period from the issuance resolution date to the Pricing Date)

Normally, when issuing shares through a third-party allotment, as in the Third-Party Allotment all conditions are determined on the issuance resolution date. However, in the present case, the Company has released "SUMMARY OF CONSOLIDATED FINANCIAL RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2026 (Under Japanese GAAP)" and "Notice Regarding the Transfer of Real Estate" (collectively, the "Financial Announcement, etc.") today. Depending on how the stock market reacts to the Financial Announcement, etc., there may be some impact on the Company's stock price on and after today (the issuance resolution date). As for the Company, in the event that the stock price rises as a result of the Financial Announcement, etc., to determine the conditions of issuance of the Shares without reflecting such rise in the stock price may create a discrepancy between such conditions of issuance and the actual value of the Shares at issuance, and may damage the interests of the existing shareholders, and from the perspective of determining fair conditions of issuance that takes the interests of the existing shareholders into account and from the perspective of eliminating arbitrariness, the Company believes that it is more appropriate to determine the conditions of issuance of the Shares upon reflecting the rise in the stock price. Therefore, the Company has set the date after a certain period has elapsed from today (the issuance resolution date) as the pricing date, to reflect the impact of the Financial Announcement, etc. on the stock price.

Furthermore, since the issue price of the Shares shall be determined based on whichever is the higher of the value of the Shares as of the issuance resolution date or the value of the Shares as of the Pricing Date, there shall be no change in the issue price of the Shares, that may be adverse to the Company.

2. Purpose and reason for the offering

Since the ADR (Alternative Dispute Resolution) proceedings in 2021, the Company has been engaged in pursuing business restructuring and strengthening revenue base, steadily realizing improved business performance. On the other hand, the Company's stock price continues to trend at low level, and it is necessary to further intensify the approach to recover and improve its corporate value. Furthermore, while the Corporate Governance Code requires the directors to share value with the shareholders, the shareholding ratio of the Company's executives is not sufficient, and to strengthen their shareholdings to commit management from a medium- to long-term perspective stands as an issue.

In light of such circumstances, and aiming to increase the shareholding ratio of the core management personnel such as the directors and the executive officers, the Company determined to introduce a performance-linked restricted share compensation plan for directors (excluding outside directors) as described in the "Notice Regarding the Introduction of a Performance-Linked Restricted Share Compensation Plan" and "Notice of Issuance of New Shares through Third-Party Allotment" released on February 13, 2026, and to implement the issuance of new shares to the directors of the Company who are executive officers as well.

In addition, the Company has determined to introduce a performance-linked restricted share compensation plan for certain executive officers who do not concurrently serve as directors and employees of the Company (the "Share Compensation Plan") as described in the "Notice Regarding the Introduction of a Performance-Linked Restricted Share Compensation Plan for Executive Officers and Employees" and "Notice of Issuance of New Shares through Third-Party Allotment" released on May 14, 2026, and has also determined to implement the issuance of new shares not only to Xu Zhan, Representative Director & President, who was the allottee of the third-party allotment released on February 13, 2026, but also to the executive officers and the senior executives of the Company (including the individuals who concurrently serve as directors of subsidiaries of the Company, the same applies hereinafter).

Furthermore, today, the Company has determined to implement a third-party allotment to certain employees who hold important positions in the Company, and to include these employees of the Company, who are the scheduled allottees, as the eligible individuals of the Share Compensation Plan. For the eligible individuals of the Share Compensation Plan, the Company plans to grant restricted shares of the same number as the number of shares acquired through the Third-Party Allotment, by the share transfer from Hisense Japan Automotive Air-Conditioning Systems Corporation, the parent company of the Company, under the Share Compensation Plan on the condition that they hold a certain number of the Company’s stock using their own funds through the Third-Party Allotment, and the Third-Party Allotment is being implemented as a measure to provide an opportunity to acquire the Company’s stock to the eligible individuals of the Share Compensation Plan. In the same way as the third-party allotments released on February 13, 2026 and May 14, 2026, the Third-Party Allotment is not a plan granting monetary compensation claims to the eligible individuals, but is a plan in which the eligible individuals acquire the Company’s stock at a fair value using their own funds, and by the eligible individuals sharing the risks and returns with the shareholders, it aims to commit the improvement of corporate value even more vigorously over a medium- to long-term.

Through the third-party allotments released on February 13, 2026 and May 14, 2026 and the Third-Party Allotment, it is expected that the management’s, the senior executives’ and other employees’ incentives and the shareholders’ interests will align at a higher level, and that initiatives such as pursuit of business growth strategies, strengthening of financial base and improvement in efficiency will be promoted more vigorously. The Company determines that this plan, which involves risk-taking by the management, the senior executives and other employees themselves, is the optimal approach in order to place its business performance on a solid path of recovery and growth, and to realize the improvement of the shareholders’ value.

Furthermore, even when taking into account the third-party allotments released on February 13, 2026 and May 14, 2026 as well, the Company believes that the dilution resulting from the Third-Party Allotment is still limited and that the impact on existing shareholders will be minimal.

3. Amounts and use of proceeds and estimated period of disbursement

(1) Amounts of proceeds

(i) Total Payment Amount	JPY 84,150,000
(ii) Estimated Cost of Issuance	JPY 5,900,000
(iii) Estimated Net Proceeds	JPY 78,250,000

(Notes) 1. Total payment amount is an estimate when assuming the Shares are issued at JPY 165 per share which is the TSE Closing Price on the trading day immediately preceding the issuance resolution date (August 6, 2026). The actual total payment amount will be determined at the Pricing Date.
2. Estimated cost of issuance does not include consumption tax and other taxes.
3. Estimated cost of issuance is the total amount of the amount equivalent to the registration tax, fees for attorney and other administrative expenses.

(2) Specific use of proceeds

The purpose of the Third-Party Allotment is not to procure funds, but to grant incentive to the employees of the Company who are the scheduled allottees to enhance their motivation and morale in achieving the business performance targets of the Company and its subsidiaries (collectively, the “Group”) and increasing corporate value of the Group. The above estimated net proceeds of JPY 78,250,000 is planned to be applied toward working capital. Until the actual disbursement, the procured fund is planned to be retained in a bank account.

4. Point of view regarding the rationality of use of proceeds

The purpose of the Third-Party Allotment is not to procure funds, but to commit the improvement of corporate value even more vigorously over a medium- to long-term, by having the employees of the Company who are the scheduled allottees, acquire the Company’s stock, and share the risks and returns with the shareholders. However, the Company determines that, since the procured funds will be applied toward working capital, it will contribute to improving corporate value over a medium- to long-term, and ultimately to improving shareholders’ interests and that it is sufficiently rational.

5. Rationality of the conditions of issuance, etc.

(1) Calculation basis of the amount to be paid and the details thereof

As described in "※2 Method of determining the issue price of the Shares (the reason for setting a certain period from the issuance resolution date to the Pricing Date)" of "1. Overview of the offering" above, the Company released the Financial Announcement, etc. on the same day the Third-Party Allotment was announced, and it is difficult to predict the fluctuations of the Company's stock price following such release of the Financial Announcement, etc. In order to incorporate the impact of such release on the stock price, the Company plans to determine the amount to be paid per share for the Shares, as whichever is the higher of JPY 165 which is the TSE Closing Price on the trading day immediately preceding the issuance resolution date (August 6, 2026) or the TSE Closing Price on the trading day immediately preceding the Pricing Date (August 25, 2026). The reason for adopting such method of determination for the amount to be paid and using the closing price on the immediately preceding trading date, instead of the stock price during a certain period up to today or the Pricing Date as the reference stock price for the amount to be paid is that the Company has determined that the most recent stock price properly reflects the objective corporate value as of this point in time. The Company believes that the aforementioned method of determining the amount to be paid is a reasonable method taking into account the interests of the existing shareholders, and is a method that will set the amount of payment equivalent to the market stock price, and therefore the amount to be paid for the Shares to be determined on the Pricing Date will not constitute a specially favorable price for the scheduled allottees.

Moreover, all of the four (4) Audit & Supervisory members of the Company (two (2) of whom are outside Audit & Supervisory members) have represented an opinion that the determination of the Board of Directors that the issuance of the Shares does not constitute a specially favorable issuance, is lawful and within the scope that can be deemed lawful, as a result of their audits conducted in accordance with their duties and responsibilities under the Companies Act.

(2) Reasons for determining the rationality of the number of issuance and the scale of dilution of shares

The total number of shares to be newly issued through the Third-Party Allotment is 510,000 shares (5,100 voting rights), and the dilution rates against the Company's total outstanding shares of 112,933,313 shares (1,127,423 total voting rights) as of June 30, 2026 is 0.45% (0.45% of dilution ratio based on voting rights). In addition, the total number of shares, obtained by adding 1,240,000 shares in total of the Company's common stock (12,400 voting rights in total) issued through the third-party allotments released on February 13, 2026 and May 14, 2026 prior to the issuance resolution as of today to the number of issuance of the Shares is 1,750,000 shares (17,500 voting rights), and the dilution rates associated with this against the Company's total outstanding shares of 112,933,313 shares (1,127,423 total voting rights) as of June 30, 2026 is 1.55% (1.55% of dilution ratio based on voting rights).

However, taking into account that the Third-Party Allotment is anticipated to contribute to improving the Company's corporate value and shareholders' value in a medium to long-term perspective, the Company believes that the number of issuance and the scale of dilution of shares are not particularly excessive and is rational for achieving the objectives.

6. Reason for selecting the Scheduled Allottee, etc.

(1) Summary of the Scheduled Allottees

Name	Address	Title	Relationship between the listed company and the scheduled allottees				Number of shares to be allotted (shares)
			Capital relationship (Number of the Company's stock held at the end of June 2026) (shares)	Personnel relationship	Financial relationship	Technical or business relationship	
Jibo Wang	Machida-shi, Tokyo	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	5,000
Mei Chen	Warabi-shi, Saitama	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	20,000
Sangcheol Bae	Maebashi-shi, Gunma	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	5,000
Bin Lu	Isesaki-shi, Gunma	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	27,000
Yasuhito Okawara	Konosu-shi, Saitama	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	5,000
Kazutaka Sekine	Isesaki-shi, Gunma	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	5,000
Masayuki Kurihara	Ota-shi, Gunma	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	15,000
Tomoaki Matsui	Kiryu-shi, Gunma	Director of the overseas subsidiary Employee of the Company	800	Director of the overseas subsidiary Employee of the Company	Not applicable	Not applicable	5,000
Daisuke Araki	Maebashi-shi, Gunma	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	5,000
Wataru Iwazaki	Midori-shi, Gunma	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	5,000
Shinya Takahashi	Maebashi-shi, Gunma	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	5,000
Yu Cong	Isesaki-shi, Gunma	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	27,000
Ningbo Liu	Isesaki-shi, Gunma	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	20,000
Jianyi Tang	Isesaki-shi, Gunma	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	27,000

Xuejie Zhang	Isesaki-shi, Gunma	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	27,000
Satoshi Ida	Isesaki-shi, Gunma	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	5,000
Nobuhito Fukazawa	Takasaki-shi, Gunma	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	5,000
Huaxi Liu	Isesaki-shi, Gunma	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	20,000
Xiao Liu	Isesaki-shi, Gunma	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	27,000
Keduo Yang	Isesaki-shi, Gunma	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	30,000
Tomoharu Suzuki	Shinagawa-ku, Tokyo	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	30,000
Wenye Zhao	Urawa-ku, Saitama-shi, Saitama	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	35,000
Yasuko Inoue	Takasaki-shi, Gunma	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	5,000
Tomohiro Asano	Maebashi-shi, Gunma	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	10,000
Tsutomu Hagiwara	Ageo-shi, Saitama	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	5,000
Hidefumi Kume	Totsuka-ku, Yokohama-shi, Kanagawa	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	10,000
Masahiro Ito	Isesaki-shi, Gunma	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	10,000
Bertrand LEFEVRE	French Republic, Bretagne	Director of the overseas subsidiary	0	Director of the overseas subsidiary	Not applicable	Not applicable	10,000
Marek Korzeniowski	Republic of Poland, Dolnośląskie	Director of the overseas subsidiary	0	Director of the overseas subsidiary	Not applicable	Not applicable	5,000
Longguo Yao	Republic of Singapore	Director of the overseas subsidiary Employee of the Company	0	Region CEO Director of the overseas subsidiary Employee of the Company	Not applicable	Not applicable	80,000

Yuichi Shinozawa	Kingdom of Thailand, Ayutthaya Province	Director of the overseas subsidiary Employee of the Company	0	Director of the overseas subsidiary Employee of the Company	Not applicable	Not applicable	5,000
Ryuhei Ushikubo	Republic of India, Haryana State	Director of the overseas subsidiary Employee of the Company	50,600	Director of the overseas subsidiary Employee of the Company	Not applicable	Not applicable	5,000
Krzysztof Milos	Republic of Poland, Greater Poland wielkopolskie	Employee of the Company	0	Employee of the Company	Not applicable	Not applicable	10,000

(Notes) 1. "Capital relationship (Number of the Company's stock held at the end of June 2026) (shares)" is based on the shareholders registry as of June 30, 2026.

2. The Company confirmed that the employees of the Company who are the scheduled allottees had no relationship with Antisocial Forces at the time of joining the Company. Moreover, upon implementing the Third-Party Allotment, the Company confirmed again in writing that the scheduled allottees do not have any relationship with Antisocial Forces, and by such investigations, the Company judges that the scheduled allottees are not Antisocial Forces. Considering the above, the Company has determined that the employees of the Company who are the scheduled allottees do not have any relationship with Antisocial Forces, and submitted the corresponding confirmation letter to the Tokyo Stock Exchange.

(2) Reasons for selecting the Scheduled Allottees

The Corporate Governance Code recommends that the management appropriately hold its own company's shares and commit to enhancing corporate value in the medium- to long-term through sharing value with shareholders. The Company has determined that, from the perspective of advancing its governance and pursuing further sharing of value between the management and shareholders, it is necessary to promptly improve the shareholding and compensation structure in line with this intent, and has determined to introduce a performance-linked restricted share compensation plan for directors (excluding outside directors) and the Share Compensation Plan. As part of these initiatives, the Company has determined to include certain employees, who play a central role in formulating and executing the Group's management strategy and hold important positions in the Company, as the eligible individuals of the Share Compensation Plan, recognizing that they bear significant responsibility for enhancing corporate value of both the Company and the Group as a whole.

Through the Third-Party Allotment, individuals responsible for the management of the Company and the Group will acquire the Company's stock using their own funds, and this strengthens their incentive to work toward enhancing corporate value from the same perspective as its shareholders. Furthermore, the Company believes this will heighten their sense of ownership in critical management decisions, leading to a clearer sense of responsibility and commitment toward executing its sustainable growth strategy.

Based on the above considerations, the Company has determined that selecting certain employees who play significant and continuing role in enhancing the corporate value of the Company and the Group as the scheduled allottees contributes to the benefits of both the Company and its shareholders.

(3) The Scheduled Allottee's policies on holding the shares

The primary objective is to enhance participation awareness and motivation through long-term holding of the Company's stock. While the Company has confirmed that the scheduled allottees intend to continue holding the Company's stock, the Company has not imposed conditions such as lock-up for a certain period or restrictions on transfer as the acquisition is made with their own funds.

The Company has obtained a commitment letter from each scheduled allottee on which it is agreed that the scheduled allottee reports to the Company in writing when he transfers all or a part of the Shares that are issued through the Third-Party Allotment within 2 years from the payment date, the Company reports to the Tokyo Stock Exchange such report, and such report shall be publicly disclosed.

(4) Verification of properties of the Scheduled Allottees required for payment

With respect to the payment of the payment amount for the issuance of the Shares, the Company has confirmed verbally with each scheduled allottee that there are no impediments to securing the properties required for the payment. The number of shares to be allotted to each scheduled allottee has been determined after confirming their respective financial backgrounds, including compensation, salary and the number of the Company's stock they hold. Therefore, the Company has determined that the funds are sufficient for the payment of the payment amount for the issuance of the Shares.

7. Major shareholders and their shareholding ratio after the offering

Before the Offering (As of June 30, 2026)		After the Offering	
Hisense Japan Automotive Air-Conditioning Systems Corporation	71.26%	Hisense Japan Automotive Air-Conditioning Systems Corporation	70.94%
BBH(LUX) FOR FIDELITY FUNDS - PACIFIC POOL (Standing Agent: MUFG Bank, Ltd.)	2.74%	BBH(LUX) FOR FIDELITY FUNDS - PACIFIC POOL (Standing Agent: MUFG Bank, Ltd.)	2.73%
Ho Nagayoshi	1.78%	Ho Nagayoshi	1.77%
Sanden Business Partner Stock Ownership Association	1.61%	Sanden Business Partner Stock Ownership Association	1.61%
Li Xiuli	1.18%	Li Xiuli	1.17%
INTERACTIVE BROKERS LLC (Standing Agent: Interactive Brokers Securities Japan Inc.)	1.06%	INTERACTIVE BROKERS LLC (Standing Agent: Interactive Brokers Securities Japan Inc.)	1.06%
CACEIS BANK, LUXEMBOURG BRANCH / UCITS CLIENTS ASSETS (Standing Agent: The Hongkong & Shanghai Banking Corporation Limited, Tokyo Branch)	0.89%	CACEIS BANK, LUXEMBOURG BRANCH / UCITS CLIENTS ASSETS (Standing Agent: The Hongkong & Shanghai Banking Corporation Limited, Tokyo Branch)	0.89%
CLEARSTREAM BANKING S.A. (Standing Agent: The Hongkong & Shanghai Banking Corporation Limited, Tokyo Branch)	0.59%	CLEARSTREAM BANKING S.A. (Standing Agent: The Hongkong & Shanghai Banking Corporation Limited, Tokyo Branch)	0.59%
Xu Zhan	0.44%	Xu Zhan	0.44%
Sanden Employees Stock Ownership Association	0.33%	Sanden Employees Stock Ownership Association	0.33%

(Notes) 1. Major shareholders and their shareholding ratio are based on the number of shares (excluding treasury stock) on the shareholders registry as of June 30, 2026.

2. Shareholding ratio after the offering is calculated based on the number of shares on the shareholders registry as of June 30, 2026 with consideration of the number of the Shares.

3. The ratio above is rounded off to the second decimal place.

8. Prospects

The Third-Party Allotment may lead to its long-term growth and expanding of corporate value but in the short term, it gives a minor influence on the performance of the current fiscal period. The Company will disclose necessary information once any matter required to be disclosed takes place hereafter.

9. Matters relating to the procedures pursuant to the corporate code of conduct

Receipt of the opinion from an independent third party or confirmation of the intent of shareholders as set out in Article 432 of the Securities Listing Regulations established by the Tokyo Stock Exchange are not required since (i) the rate of dilution to be caused by the Third-Party Allotment shall be less than 25%, and (ii) a change of a controlling shareholder due to the Third-Party Allotment is not expected.

10. Performance and equity finance for the past 3 years

(1) Performance for the past 3 years (consolidated) (JPY million except for otherwise indicated)

	Fiscal year ended in December 2023	Fiscal year ended in December 2024	Fiscal year ended in December 2025
Net sales	179,279	183,848	190,875
Operating income (loss)	△11,018	△6,446	△1,507
Ordinary income (loss)	△8,382	△176	1,774
Net income (loss) attributable to owners of parent	△3,359	△777	274
Net income (loss) per share (JPY)	△30.15	△6.98	2.46
Dividend per share (of which, interim dividend) (JPY)	- (-)	- (-)	- (-)
Net assets per share (JPY)	181.18	203.03	239.68

(2) Number of outstanding and potential shares to date (As of August 7, 2026)

	Number of shares	Ratio to number of outstanding shares
Number of outstanding shares	112,933,313 shares	100.00%
Number of potential shares calculated at the current conversion (exercise) price	-	-

(3) Current price of shares

a. Share prices for the past 3 years

	Fiscal year ended in December 2023	Fiscal year ended in December 2024	Fiscal year ended in December 2025
Opening price	JPY 196	JPY235	JPY 148
High price	JPY 232	JPY 242	JPY 198
Low price	JPY 145	JPY 131	JPY 106
Closing price	JPY 199	JPY 148	JPY 135

b. Share prices for the past 6 months

	March 2026	April	May	June	July	August
Opening price	JPY 183	JPY 149	JPY 176	JPY 168	JPY 160	JPY 165
High price	JPY 187	JPY 186	JPY 181	JPY 169	JPY 167	JPY 168
Low price	JPY 141	JPY 146	JPY 144	JPY 140	JPY 150	JPY 159
Closing price	JPY 145	JPY 174	JPY 167	JPY 160	JPY 164	JPY 165

(Note) The stock prices of August 2026 are the figures as of August 6, 2026.

c. Share prices as of the business day preceding the resolution on issuance

	As of August 6, 2026
Opening price	JPY 167
High price	JPY 169
Low price	JPY 163
Closing price	JPY 165

(4) Equity finances for the past 3 years

a. Issuance of common stock through third-party allotment

Payment date	March 23, 2026
Amounts of proceeds	JPY 82,500,000
Issue price	JPY 165 per share
Number of outstanding shares at the time of offering	111,693,313 shares of common stock
Number of issued shares resulting from the offering	500,000 shares of common stock
Number of outstanding shares after the offering	112,193,313 shares of common stock
Allottees	3 directors of the Company
Use of proceeds	Working capital

b. Issuance of common stock through third-party allotment

Payment date	June 25, 2026
Amounts of proceeds	JPY 131,720,000
Issue price	JPY 178 per share
Number of outstanding shares at the time of offering	112,193,313 shares of common stock
Number of issued shares resulting from the offering	740,000 shares of common stock
Number of outstanding shares after the offering	112,933,313 shares of common stock
Allottees	1 director of the Company 5 executive officers of the Company 9 employees of the Company
Use of proceeds	Working capital

11. Terms and Conditions

(1) The shares to be offered	510,000 shares of common stock
(2) Issue price of the shares to be offered	JPY 165 per share If the TSE Closing Price on the trading day immediately preceding the Pricing Date exceeds the amount set forth above, the TSE Closing Price on the trading day immediately preceding the Pricing Date shall apply.
(3) Total payment amount	The amount obtained by multiplying the issue price per share of the shares to be offered set forth in (2) by the number of shares to be offered set forth in (1).
(4) Amount of stated capital and amount of capital reserves to be increased	The amount of stated capital to be increased shall be an amount equal to one-half of the maximum amount by which stated capital and capital reserves may be increased, as calculated in accordance with Article 14, paragraph 1 of the Regulations on Corporate Accounting; provided that if such calculation results in any fraction of less than one yen, such fraction shall be rounded up. In addition, the amount of capital reserves to be increased shall be the amount obtained by deducting the amount of stated capital to be increased from the maximum amount by which stated capital and capital reserves may be increased.
(5) Method of offering or allotment	The Shares will be allotted through the third-party allotment.
(6) The scheduled allottees	33 employees of the Company 510,000 shares
(7) Subscription period	September 3, 2026 to September 28, 2026
(8) Payment date	September 29, 2026

End of Document